

#### west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax

Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

May 15, 2014

#### WELL WORK PERMIT

#### Vertical Well

This permit, API Well Number: 47-8510101, issued to MURVIN & MEIER OIL CO., is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days completion of permitted well work, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin

Operator's Well No: GILL HEIRS #3

Farm Name: SAVINKOFF, KARL ET AL

API Well Number: 47-8510101 Permit Type: Vertical Well

Date Issued: 05/15/2014

#### **PERMIT CONDITIONS**

West Virginia Code § 22-6-11 allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. Failure to adhere to the specified permit conditions may result in enforcement action.

#### **CONDITIONS**

- 1. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code § 22-6-20, which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
- 2. Pursuant to 35 CSR § 4-19.1.a, at the request of the surface owner all water wells or springs within 1000 feet of the proposed well that are actually utilized for human consumption, domestic animals or other general use shall be sampled and analyzed.
- 3. Pursuant to 35 CSR § 4-19.1.c, if the operator is unable to sample and analyze any water well or spring within one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.
- 4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 5. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
- 6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours.
- 7. Well work activities shall not constitute a hazard to the safety of persons.

WW - 2B (Rev. 8/10)

# STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS WELL WORK PERMIT APPLICATION 35 612

| 1) Well Operato  | or Mu                              | rvin &                                    | Mejer Oil          | Co 307<br>Oper                            | 980 Ritch<br>ator ID County          | ne Murphy Smithville<br>District/ Quadrangle |
|--|------------------------------------|---|--------------------|---|--------------------------------------|--|
| 2) Operator's W  | /ell Numb                          | oer: <i>G</i>                             | 11 Hrs. "          | 3   | 3) Elevation:                        | 1161'  |
| 4) Well Type: (a   | a) Oil <u>x</u>                    | or Ga                                     | s                  |   |                                      |  |
| (t   | ) If Gas:                          | Produc                                    | ction X / Uno      | derground Sto                             | rage                                 |  |
|  |                                    | Deep                                      |                    | / Shallow                                 | X                                    |  |
| <ul><li>5) Proposed Ta</li><li>6) Proposed To</li><li>7) Approximate</li><li>8) Approximate</li><li>9) Approximate</li></ul> | tal Depth<br>fresh wa<br>salt wate | n: <u>26</u><br>iter strata<br>er depths: | depths: 2.         | Formation at 1<br>5 (Permit<br>(Permits 9 | Proposed Total<br>9919)<br>874, 9902 |  |
| 9) Approximate   | coal sea                           | im depths                                 |                    | ne ( Permi!                               | 5 7817, 9                            | 104, 9919)                                   |
| 10) Approximat   | e void de                          | epths,(coa                                | II, Karst, other): |   | Vone                                 |  |
| 11) Does land  | contain c                          | oal seams                                 | s tributary to ac  | tive mine?                                | No                                   |  |
| 12) Describe pi  | oposed v                           | well work                                 | in detail          | Drill and                                 | d Comple                             | te New Well                                  |
| 13)  |                                    | 7 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -   | SING AND TU        |   | THE STREET STREET                    | OFMENT                                       |
| TYPE S   | PECIFIC                            | CATIONS                                   |                    | FOOTAGE                                   | INTERVALS                            |  |
|  | <u>Size</u>                        | <u>Grade</u>                              | Weight per ft      | For Drilling                              | Left in Well                         | Fill -up (Cu. Ft.)                           |
| Conductor  | 16"                                |   |                    | 20  | 20'                                  |  |
| Fresh Water  | 1134"                              | A-500                                     | 32                 | 300                                       | 300                                  | CTS  |
| Coal   |                                    |   |                    |   |                                      | resulting.                                   |
| Intermediate   | 85/8                               | A-500                                     | 20/23              | 1375                                      | 1375                                 | CTS  |
| Production   | 4/2                                | WT-65                                     | 10.5               | 2600                                      | 2600                                 | 120  |
| Tubing   |                                    |   |                    |   |                                      | CHANGE GOVERNMENT                            |
| Liners   |                                    |   |                    |   | Enviro                               | mention costantion                           |

Packers:

Kind

Sizes

Depths Set

2-25-14 05/16/2014 **WW-2A** (Rev. 6-07)

| 1). Date:           | 3/3      | 12014  |        |
|---------------------|----------|--------|--------|
| 2.) Operator's Well | l Number | G.11   | Hrs =3 |
|                     | State    | County | Permit |
| 3.) API Well No.:   | 47-      | 085 -  |        |

## STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

| 4) Surface C                         | Owner(s) to be served: Karl M. Savmkoff  | 5) (a) Coal Operator Name None  |
|--------------------------------------|--|---|
| Address                              | 1532 Williamstown Pike   | Address   |
| (b) Name                             |  | (b) Coal Owner(s) with Declaration  |
| Address                              | 5521 Township Rd 336   | Name Nene   |
|                                      | Millersburg OH 4465  |   |
| (c) Name                             | Russell Beall & Mary Beal  | L WName   |
| Address                              | 90 Donna Beall-Bishop<br>RRZ Box 196 Lewisburg WV 2  | Address   |
| 6) Inspector                         | Mr. David Cowan  | (c) Coal Lessee with Declaration  |
| Address                              | Boute 1 Box 202  | Name  |
|                                      | Harmsville, WV 2636  |   |
| Telephone                            |  | MED ADOUG TAKE HOTION THAT  |
| Included t                           |  | AMED ABOVE TAKE NOTICE THAT:  |
| OR Included I                        | s the lease of leases of other continuing  | g contract or contracts by which I hold the right to extract oil and gas  |
| x Included i                         | s the information required by Chapter 2  | 22, Article 6, Section 8(d) of the Code of West Virginia (see page 2)   |
|                                      |  | 6 of the West Virginia Code I have served copies of this notice and   |
|                                      | location plat, and accompanying docur  | ments pages 1 through 13 on the above named parties by:   |
|                                      | Personal Service (Affidavit att  |   |
|                                      | X Certified Mail (Postmarked po  |   |
|                                      | Publication (Notice of Publication)  |   |
|                                      |  | nd 35 CSR 4, and I agree to the terms and conditions of any permit  |
|                                      | this application.  | rsonally examined and am familiar with the information submitted on   |
|                                      |  | based on my inquiry of those individuals immediately responsible for  |
|                                      | nformation, I believe that the information   |   |
|                                      |  | es for submitting false information, including the possibility of fine and  |
| imprisonment.                        |  |   |
|                                      | Well Operato   |   |
|                                      | By:  | KUUM HACKY  |
|                                      | Its:   | Katem Blackford EVP   |
|                                      | Address  | 70 Box 396  |
|                                      |  | Diney Illinois 62450 CENEU  |
|                                      | Telephone  | 618:395-4405  |
| Subscribed ar                        | nd sworn before me this 3 day  |   |
|                                      | Keelie Weens   | Notary Public 1970W   |
| My Commissi                          | on Expires (1) 30 (16  | KULLIE WEEMS  |
| Oil and Gas Priv                     | acy Notice   | Notary Public, State of Illinois 9 18 11 18 My Commission Expires 11-30-16 (2) 18   |
|                                      |  | on, such as name, address and phone number, as a part of our regulatory duties.   |
| with statutory or                    | normation may be disclosed to other State ag<br>regulatory requirements, including Freedon | gencies or third parties in the normal course of business or as needed to comply<br>n of Information Act requests. Our office will appropriately secure your personal |
| Information. If you depprivacyoffice | ou have any questions about our use of your  | personal information, please contact DEP's Chief Privacy Officer at   |

#### SURFACE OWNER WAIVER

County

R. tahie

Operator
Operator well number

Musyin & Meier Dil Co

#### INSTRUCTIONS TO SURFACE OWNERS NAMED ON PAGE WW2-A

The well operator named on page WW2A is applying for a permit from the State to do oil or gas well work. (Note: If the surface tract is owned by more than three persons, then these materials were served on you because your name appeared on the Sheriff's tax ticket on the land or because you actually occupy the surface tract. In either case, you may be the only owner who will actually receive these materials.) See Chapter 22 of the West Virginia Code. Well work permits are valid for 24 months. If you do not own any interest in the surface tract, please forward these materials to the true owner immediately if you know who it is. Also, please notify the well operator and the Office of Oil and Gas.

NOTE: YOU ARE NOT REQUIRED TO FILE ANY COMMENT.
WHERE TO FILE COMMENTS AND OBTAIN ADDITIONAL INFORMATION:

Chief, Office of Oil and Gas Department of Environmental Protection 601 57<sup>th</sup> St. SE Charleston, WV 25304 (304) 926-0450

Time Limits and methods for filing comments. The law requires these materials to be served on or before the date the operator files his Application. You have FIFTEEN (15) DAYS after the filing date to file your comments. Comments must be filed in person or received in the mail by the Chief's office by the time stated above. You may call the Chief's office to be sure of the date. Check with your postmaster to ensure a dequate delivery time or to arrange special expedited handling. If you have been contacted by the well operator and you have signed a "voluntary statement of no objection" to the planned work described in these materials, then the permit may be issued at any time.

<u>Comments must be in writing.</u> Your comments must include your name, address and telephone number, the well operator's name and well number and the approximate location of the proposed well site including district and county from the application. You may add other documents, such as sketches, maps or photographs to support your comments.

The Chief has the power to deny or condition a well work permit based on comments on the following grounds:

- 1) The proposed well work will constitute a hazard to the safety of persons.
- 2) The soil erosion and sediment control plan is not adequate or effective;
- 3) Damage would occur to publicly owned lands or resources;
- 4) The proposed well work fails to protect fresh water sources or supplies;
- 5) The applicant has committed a substantial violation of a previous permit or a substantial violation of one or more of the rules promulgated under Chapter 22, and has failed to abate or seek review of the violation...".

If you want a copy of the permit as it is issued or a copy of the order denying the permit, you should request a copy from the Chief.

<u>List of Water Testing Laboratories</u>. The Office maintains a list of water testing laboratories which you can hire to test your water to establish water quality prior to and after drilling. Contact the Chief to obtain a copy.

**VOLUNTARY STATEMENT OF NO OBJECTION** 

I hereby state that I have read the instructions to surface owners and that I have received copies of a Notice and Application for a Well Work Permit on Form WW2-A, and attachments consisting of pages 1 through \_\_\_\_ including a work order on F orm WW2-B, a s urvey plat, and a s oil and er osion plan, all for proposed well work on my surface land as described therein.

I further state that I have no objection to the planned work described in these materials, and I have no objection to a permit being issued on those materials.

| FOR EXECUTION BY A NATURAL PERSON                        | FOR EXECUTION BY A CORPORATION, ETC  | Ġ. |
|--|--|----|
| Sussell Co Tocall ky<br>Surva Pocall By Chop, PADate 3/2 | Company Name 9 7014  |    |
| DONNA BEALL-BISHOP                                       | Its  Office of Oil and Gas  Office of Oil and Protection Date  Office of Oil and Gas  Office of Oil and | e  |
| Print Name   | Signatuh Dept. of Environment  | 2  |

Operator's Well Number

G.11 Hrs "3

#### INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that -

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

| Grantor, Lessor, etc.                             | Grantee, Lessee, etc. | Royalty      | Book/Page |
|---|-----------------------|--------------|-----------|
| Robert B. G.11 Etal                               | J. B. Westfall        | 1/8          | 88/311    |
| Coley and Elder                                   | J. B. Westfall        | ratification | 88/313    |
| Alah Rexiond etux<br>(Sok Heir of J. G. Westfall) | Francis Cain          |              | 100/457   |
| Francis Cain                                      | Musvin e Meier 8,16.  | Farmout      | 214/550   |

#### Acknowledgement of Possible Permitting/Approval In Addition to the Office of Oil and Gas

The permit applicant for the proposed well work addressed in this application hereby acknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following: Received

APR 9 2014

- WV Division of Water and Waste Management
- WV Division of Natural Resources WV Division of Highways
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overrides, replaces, or nullifies the need for other permits/approvals that may be made to the need for other permits/approvals nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be acquired from the appropriate authority before the affected activity is initiated.

> Well Operator: Murville By: Its:

| WW-2B1 |  |
|--------|--|
| (5-12) |  |

| Well No. | Gill Heirs No. 3 |  |
|----------|------------------|--|
|          |                  |  |

### West Virginia Department of Environmental Protection Office of Oil and Gas

#### NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

Be advised, you have the right to sample and analyze any water supply at your own expense.

Listed below is the laboratory chosen by operator to perform analysis, and contactor chosen to collect sample.

| Certified Labora | tory Name     | Reliance Labs                                    |
|------------------|---------------|--|
| Sampling Contra  | actor         | Smith Land Surveying, Inc Environmental Division |
| Mall Operator    | Maria O Maria |  |
| Well Operator    |               | er Oil Company                                   |
| Address          | PO Box 306    |  |

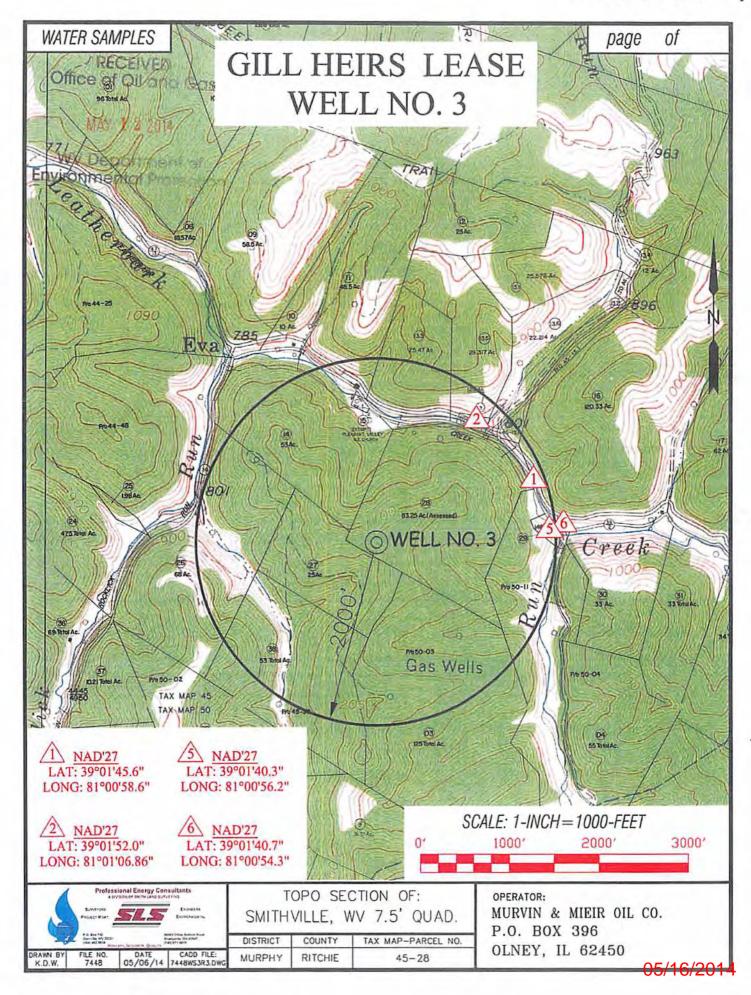
Address P.O. Box 396
Olney, IL 62450

Telephone 618-395-4405

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

NOTE: There appears to be 7 potable water sources within 1,500', therefore tests will be offered and samples taken as required.

and Department



WW-9 (5/13)

|                    | Page 5 of 13    |
|--------------------|-----------------|
| API Number 47 - D8 |                 |
| Operator's Well    | No. Gill His #3 |

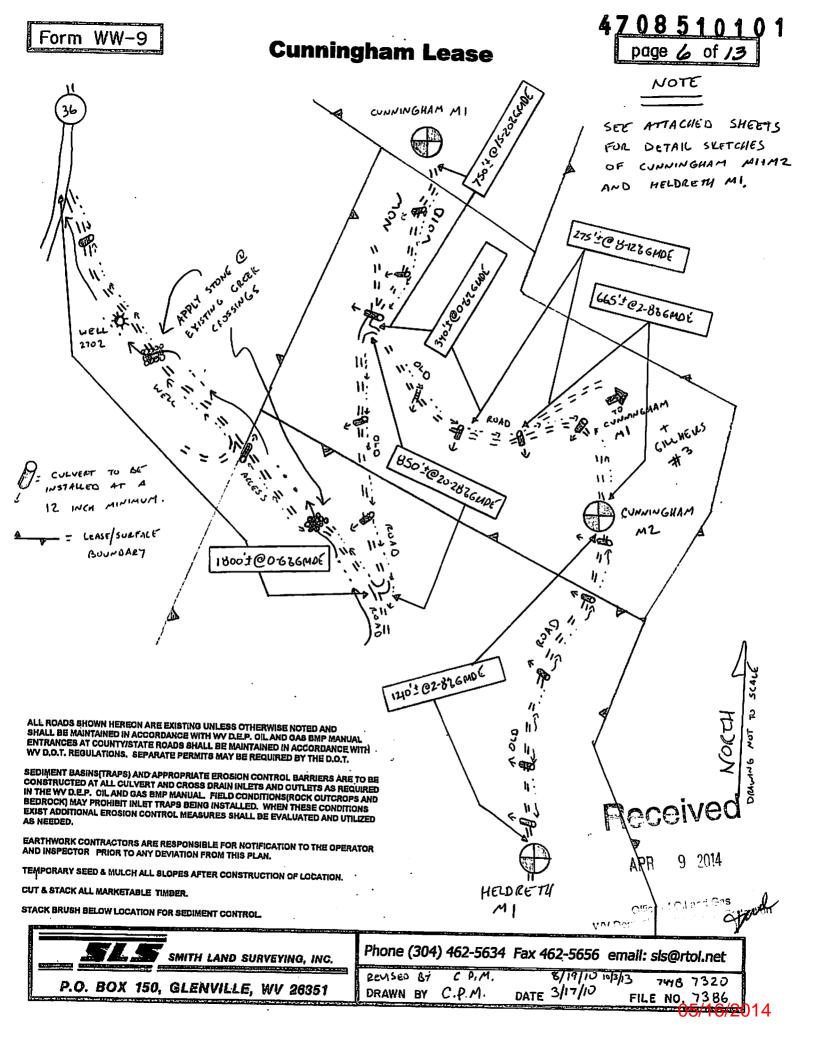
### STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

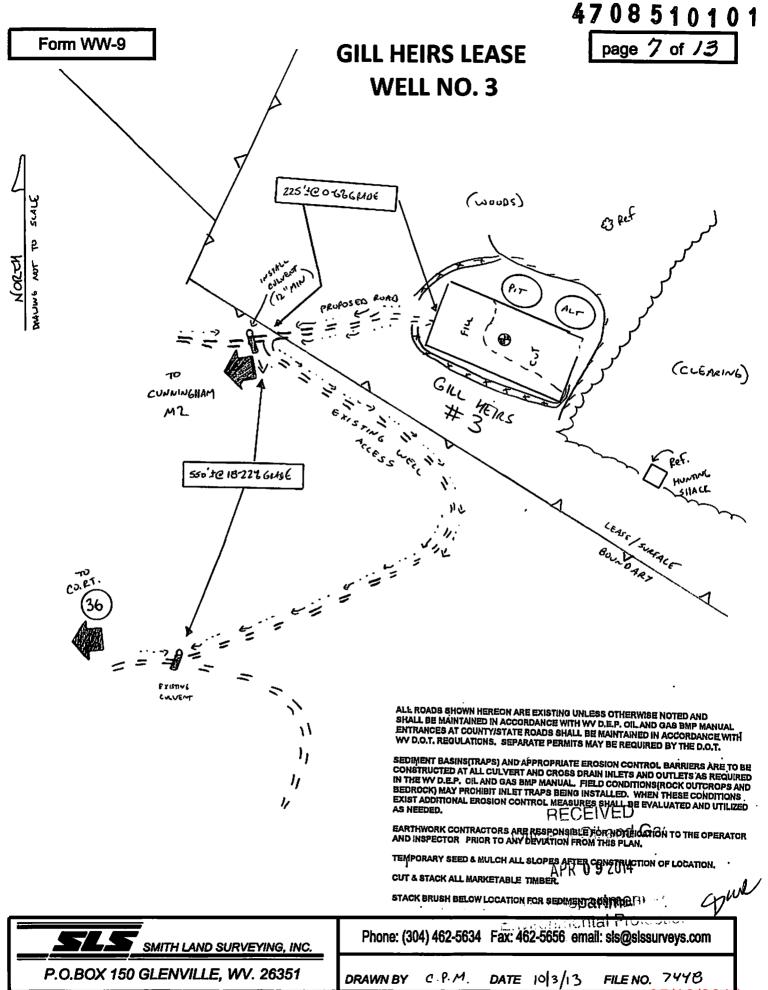
#### FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

| Operator Name Murvin & Meier Oil Company  |   | OP Code307980   |  |
|---|---|---|--|
| Watershed (HUC 10) Leather back Creek = 1   | Bocklick Run Quadrangle   | Smithville 7.5*   |  |
| Elevation County_   | Ritchie   | District Murphy   |  |
| Do you anticipate using more than 5,000 bbls of wat   | ter to complete the proposed  | well work? Yes N  | ox   |
| Will a pit be used for drill cuttings? Yes X  | No  |   |  |
| If so, please describe anticipated pit waste:   |   |   |  |
| Will a synthetic liner be used in the pit? Y  | es No I   | f so, what ml.? 8 20  | MIL  |
| Proposed Disposal Method For Treated Pit  |   |   |  |
| Land Application  |   |   |  |
|   |   |   |  |
| Reuse (at API Number<br>Off Site Disposal (Suppl  |   | ocation)  |  |
| Other (Explain  |   |   |  |
|   |   |   |  |
| Will closed loop system be used?  |   |   |  |
| Drilling medium anticipated for this well? Air, fres  |   |   |  |
| -If oil based, what type? Synthetic, petrole  |   |   |  |
| Additives to be used in drilling medium?  | Doap  |   |  |
| Drill cuttings disposal method? Leave in pit, landfi  | II, removed offsite, etc  | Leave in Pit  |  |
| -If left in pit and plan to solidify what med   | lium will be used? (cement,   | lime, sawdust)  |  |
| -Landfill or offsite name/permit number?  |   |   |  |
|   |   |   |  |
| I certify that I understand and agree to the on August 1, 2005, by the Office of Oil and Gas of provisions of the permit are enforceable by law. I law or regulation can lead to enforcement action.  I certify under penalty of law that I hav application form and all attachments thereto and obtaining the information, I believe that the info penalties for submitting false information, including | the West Virginia Departme.<br>Violations of any term or co-<br>re personally examined and<br>d that, based on my inquir-<br>termation is true, accurate, and | nt of Environmental Protection ndition of the general permit a<br>am familiar with the informat<br>y of those individuals immed<br>nd complete. I am aware that<br>aprisonment. | I understand that the and/or other applicable tion submitted on this liately responsible for there are significant |
| Company Official Signature  | Kalinnaa  | cky   | ceived   |
| Company Official (Typed Name)   |   | albrd Re  | ceived   |
| Company Official Title  | Exec. Vice-   | President   | PR 9 2014  |
| Subscribed and sworn before me this 3 rel   | _day of March   | , 20 1 4  OCCUPANTION DEP   | Office of Oil and Ges  |
| Kellie Weam   | and an and an and an and  | COLUMN SEAL NOTARY Publican Dep   | L of Environment   |
| My commission expires ( \30/16  | I statemen Sett   | LIE WEEMS State of Illinois Sion Expires 11-30-18   | 05/16/2014   |

Operator's Well No. 6.11 Hrs 3

|  | EGEND  |
|--|--|
| Property Soundary  | Diversion 444444444444444444444444444444444444                             |
| Rend = = = = = = = = = = = = = = = = = = =   | Spring   |
| Existing Fence — X — X — X —   | Wet Spot   |
| Planned Fence / / /  | Orain Pipe with size in inches @   |
| Stream   | Waterway $\longleftrightarrow$ $\longleftrightarrow$ $\longleftrightarrow$ |
| Open Ditch   | Cross Drain  |
| Rock #36886  | Artificial Filter Strip  |
| North N  | Pit: cut walls   |
| Buildings  | Pit: compacted fill walls  |
| Water wells  | Area for Land Application of Pit Waste                                     |
| Drill site   |  |
|  |  |
| Proposed Revegetation Treatment: Acres Disturbed   | <u>6.5</u>   |
| Fertilizer (10-20-20 or equivalent) // TON   | acre (500 lbs minimum)   |
| Mulch Hay Straw 2 Tons/ac  | сте  |
| Seed   | Mixtures   |
| Area I   | Area II  |
| Seed Type Ibs/acre   | Seed Type lbs/acre   |
| _KY-31 40  | Drchard Grass 15   |
|  |  |
|  | Alsike Clover 5  |
| Annual Rye 15  |  |
|  |  |
| Attach: Drawing(s) of road, location,pit and proposed area for land appl Photocopied section of involved 7.5' topographic sheet. | ication.   |
| Drawing(s) of road, location,pit and proposed area for land appl   | ication.   |
| Plan Approved by:  | ication.   |
| Drawing(s) of road, location,pit and proposed area for land apple Photocopied section of involved 7.5' topographic sheet.        | all cuil orea manufacio  |
| Plan Approved by:  | alleilorea maniferial  |
| Plan Approved by:  | allailorea manifació   |
| Plan Approved by:  | Date: 2.25.14 NPR 9 2014   |
| Plan Approved by:  | allentorea manifació   |





05/16/2014

